MARKETING & MEDIA Decisions

Spring 1983 • $3.00
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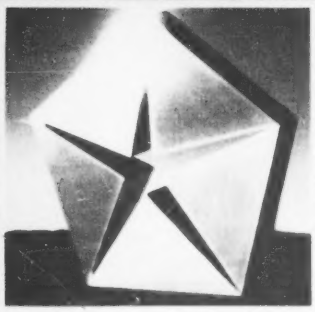

15 TOP MARKETING SUCCESSES OF 1982

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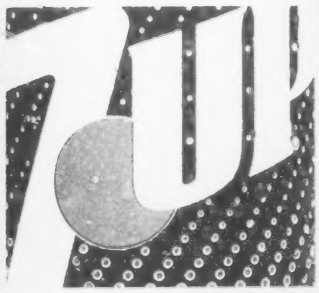

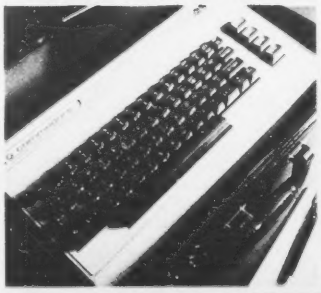

BURGER KING

HILTON

AMERICA'S BUSINESS ADDRESS

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15 TOP MARKETING SUCCESSES • 1982

Automotive • Chrysler Corporation
After three down years that threatened the company's very existence, Chrysler Corporation, under the direction of Lee Iacocca, returned to the ranks of the profitable in 1982. High gas mileage, front wheel drive cars gave Chrysler lots to talk about.

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Beer • Lite from Miller
Seven years after going national, Lite from Miller continues to build market share and in 1982 claimed close to 10% of U.S. beer sales. Media continuity and the use of humor have been the key facets in a drive that helps Lite outdistance the competiton.

PAGE 45

Computer Games • Activision
Activision built its market share to a substantial 15% in 1982, not only by stressing the challenges of its computer games but by tapping the enthusiasm that game players have for the creators who design them, in television and magazine advertising.

PAGE 57

MARKETING & MEDIA DECISIONS (ISSN0195-4296) SPRING, 1983, Vol. 18, Copyright © 1983. Decisions Publications Inc. Published 14 times. Executive, editorial, circulation and advertising offices at 1140 Avenue of the Americas, New York, N.Y. 10036. **Available** without charge to those personally involved in media decisions at major agencies and advertiser companies. For others, subscription prices are: U.S.A. $40 for 14 issues. Canada $50. Overseas $52 (surface mail). Airmail — add $52. Single copy $3.00. All overseas copies are paid. Second-class alternative B postage paid at Burlington, Vt. **Postmaster:** Send form 3579 to Marketing & Media Decisions, 1140 Avenue of the Americas, New York, N.Y. 10036

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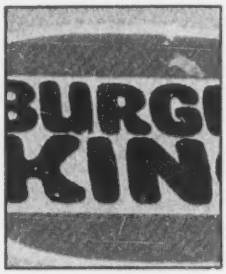

Franchising • Burger King
Burger King, the regal entry in the fast food field, blitzed the competition last year with head-on challenges to McDonald's and Wendy's. The battle was enlivened by a suit brought by McDonald's which called attention to the fast food business.

PAGE 67

Health & Beauty Aids • Maybelline
It's no easy job maintaining and building on the second place share in the mascara market. Maybelline manages very well with a sensible, non-seductive approach to eye beauty, protecting its 25% share. Introduction of Rich 'n Gentle added momentum.

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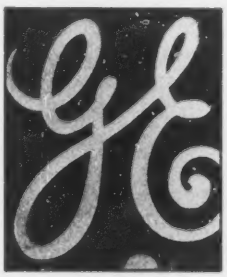

Appliances • General Electric
General Electric may bring good things to life. It does so with an umbrella campaign that has won fresh recognition for each item in its product line. Not content to stand pat in 1981, GE added a consumer information center to field complaints and provide answers.

PAGE 85

Insurance • Prudential
Not content with selling a piece of the rock, Prudential has added real estate services and financial planning through the Bache Halsey brokerage house. But Prudential hasn't let its grip as leader in the insurance market slip, as its revenue gains demonstrate.

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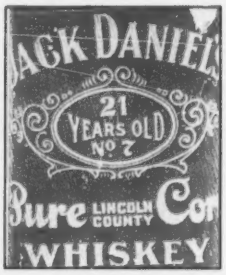

Liquor • Jack Daniel's
Jack Daniel's moved past long time category leader Jim Beam to become the top selling bourbon in the U.S., and built its sales by 4% last year. That success rests on a 25 year campaign that features the lore of the distillery and of its locale, Lynchburg, Tennessee.

PAGE **101**

Packaged Foods • Del Monte
Hypertension, high blood pressure, has been a growing issue to the layman. In 1982 Del Monte decided to do something about it, with a line of no-salt vegetables. The innovation is complementary to Del Monte's low-sugar canned fruit product line.

PAGE **109**

Personal Computers • Commodore
The $300 price barrier for a color graphic generating personal computer was broken last year by Commodore and the industry reacted. By offering high-tech at a low price, Commodore continues to be a maverick in this highly competitive, growing field.

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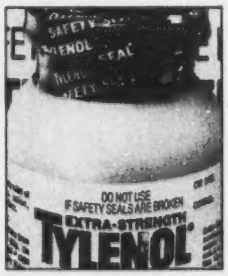

Pharmaceuticals • Tylenol
Johnson & Johnson faced a crisis in 1982 when tampered-with product created public mistrust of packaging safety. Johnson & Johnson's trigger quick reaction prevented a catastrophe which could have decimated Tylenol's leadership position.

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Soft Drinks • Seven-Up
Even after being purchased by Philip Morris, Seven-Up dropped market share and lost the number three spot among carbonated soft drinks to Dr Pepper. Last year, Seven-Up Company hit upon a golden issue and painted the absence of caffeine as a health benefit.

PAGE **137**

Tobacco • Marlboro
The nation's best selling cigarette moved to within fractions of having 20% of the U.S. market in 1982. Even from the number one spot Marlboro continues to grow because of the inherent strength of its macho campaign that evokes a positive, consistent image.

PAGE **145**

Travel • Hilton Hotels
By becoming America's "business address," Hilton Hotels have held their position in a very down year for the travel industry. Hilton also makes a strong pitch for the overseas traveller visiting the U.S. Business person approach continues to appeal.

PAGE **155**

Wearing Apparel • Maidenform
Despite a flurry of protests from feminists, Maidenform makes further inroads in the lingerie business. Two campaigns in 11 years that present the lingerie on stylish women in tasteful surroundings have given Maidenform women and product a continuity.

PAGE **165**

vanced game wizardry in his creations; Steve Cartwright *(Megamania)* actually depicts comic scenes in his work.

Such distinctive idiosyncracies plug into Activision's marketing efforts in a very elemental way: "It's a statement about a game to say it's designed by Alan Miller," claims ad director Chip August. "It's a very powerful selling tool."

Names of designers are parlayed into advertising messages while packages plainly state the creator's name. "Only recently did we incorporate the names into the advertising," says Janowski. "As a result, consumers ask, when is David Cartwright's next game coming out? We found out from listening that this was something they were very interested in."

Product quality and designer names tie-in to a very elemental force behind Activision's marketing effort, word-of-mouth: "A very big part of our marketing plans and programs is how to generate that word of mouth and how to get good word of mouth advertising," says Janowski.

The power of word-of-mouth shows in one instance. "*Pitfall* was in the stores one week and we knew we had hit," says Andrea Benjamin, director of product publicity. "This was before advertising came out. It indicated that word of mouth was important."

Different Bullseyes

What Activision's quickly found out during its short history is that each game has a different audience and a different appeal. The overall market is broad enough — men, 14 to 35 — but the distinctions within it are significant. As such, each game has its own special marketing plan and advertising campaign — again, the comparison with the record industry is apt. "Each title is basically a new product and for each one you must develop a new plan — because there is often a different audience for each." Adds Mainero, "we're not marketing video games, but individual releases."

To contend with this multi-level marketplace, the marketing department has borrowed heavily from the record and publishing industries. The market plan begins with the designer: a potential game is turned in, the marketing team mulls over it, (there are two product market heads, Janowski, who has a heavy research background, and Mike Piacentini, who hails from the halls of P&G and Clorox). "Mulling" in this instance means playing: questions asked — who will like this game? what is its complexity? is it humorous or straight? fast-paced or thoughtful?

Meanwhile "editorial development" works on the game's image with the designer. Much like an editor working with his or her pool of writers, the "editor" at Activision, Thomas Lopez (also an alumnus of JWT/San Francisco), works with his designer on the look of the game, how it should be positioned, what the actual package should look like.

Once these details are hammered out, the game goes back to marketing

Who got Activision's 1982 ad dollars?

Magazines	$ 2,200,000
Net tv	11,300,000
Spot tv	15,300,000
Net radio	1,000,000
Spot radio	220,000
Supps	1,000,000
Newspapers	na
Total —	$31,000,000

GOLF MAGAZINE

TIMES MIRROR MAGAZINES
POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF
380 MADISON AVE NEW YORK NEW YORK 10017

EQUIPMENT

More Editorial
In 1982 Golf Magazine carried 35% more equipment editorial pages than Golf Digest.*

More Ad Pages
7 out of the top 10 equipment advertisers ran more pages in Golf than any other golf publication.**

*Source: Hall's Editorial Report year end 1982
**Source: Hall's Magazine Report year end 1982

Lynne King, account supervisor at Maybelline's creative agency, Ted Bates, takes an active role with the brand's numerous product lines. Here, she checks copy in a photo shoot featuring finger nail polish and hand care lines.

Maybelline continues to show healthy growth despite several slowdowns, he says, because "we pay close attention to the consumer. Once we believe we understand what women want in eye makeup, we strive to produce it, advertise it and make it available at sensible prices."

But Maybelline's other magic potions are sealed tight.

Maybelline's 1982 media expenditures

Magazines	$9,892,100
Net tv	15,570,000
Spot tv	2,531,000
Spot radio	300,000
Total	**$28,293,100**

Source: Leading National Advertisers, Media Records, Radio Expenditure Reports.

"Maybelline talks to real consumer benefits. And it knows the right products that make it legitimate," King points out.

"For example," she adds, "Maybelline doesn't sell makeup to make your eyes look wide-set and green.

"What it does talk about is the product's attributes. Maybelline has introduced an eye shadow," she notes, "called Colors that Cling."

"That is a brilliant marketing idea. The product says exactly what it says it will do - stay on," King observes.

"This is a new idea for cosmetics," she notes, adding that "everyone is doing it to some degree now."

Similarly, Maybelline advertises other products as not only looking good, but being good.

Maybelline claims in print ads that other eyebrow pencils are withered, creased and worn out by noon but that its "eye writers" work an eight-hour day. And it notes that Fresh Lash mascara not only stays waterproof, smearproof and even sleep-proof but does so over a 24-hour period. In addition, Maybelline claims its best-seller mascara gently conditions the lashes.

The person most widely credited for developing this novel approach to marketing cosmetics maintains a low profile at Maybelline headquarters in Memphis, Tenn.

David Brittain formerly was the vice president of marketing. He was rewarded for his creative and organizational brilliance by stepping up into the role of presidency, a position he accepted in 1976.

Brittain says he can't say more because the competition has its ear to the ground.

As a final note, he adds that Maybelline will be glad to be quoted if it can think of a way to talk to the consumer.

However, some vital Maybelline practices can be traced without the benefit of an interview: its single-minded approach to reasonably priced, quality products and its appeal to the broadest segment of the female market.

By contrast, Revlon and Max Factor have fragmented the women's cosmetics market.

Revlon's Ultima Line is the upscale brand, Revlon is the mass product and Natural Wonder concentrates on youth appeal. Max Factor's Maxi

agent and paid him well," said Melone, who before joining Prudential in 1968 was an associate professor of insurance at Wharton School at the University of Pennsylvania. A member of the Board of Directors of Prudential Property and Casualty, Melone has conceptualized a formula for improving each agent's production record.

Melone, who enjoys the "fun and frustration" of implementing management strategies, sees personal computers becoming a key agent tool to not only illustrate how policies would affect each insured, but also to pinpoint new prospects. Word processors, he adds, can become invaluable aids in developing a large volume of promotional letters.

Melone also singles out new product introductions, effective money management, efficient distribution and generation of a common sense direction as major areas of strategy.

"For every move that I make, the agent is wondering how that fits into the day-to-day operation," Melone says.

One of Prudential's secrets to success is marketing to groups typical of the business, Melone claims.

"We have always had a different mix from most other companies. We are selling in the homes of lower income people. And while others have focused on the male breadwinner, we have been selling almost one-third of our policies to women," says Melone. "Other insurers typically sell 15% to women."

Of Prudential's 25,000 agents, some 19,000 sell to the middle income group.

Prudential also has approached advertising strategies in a unique way. More than ten years ago, the life insurer laid out carefully defined advertising objectives. Although the strategy was initiated by Henry Arnsdorf, vp-advertising in the late 60's, the goals remain current.

In addition, Ted Bates, which Arnsdorf selected from a competition among 20 ad agencies, remains a key agency partner.

Prudential's 1982 media expenditures

Magazines	$ 2,617,900
News supps	41,000
Net tv	14,829,900
Spot tv	2,358,100
Newspapers	181,500
Outdoor	3,900
Total	$20,032,300

Source: Leading National Advertisers, Media Records

Connie Sartain, currently vp-advertising at Prudential, underscores the value of the principles Arnsdorf worked out, which are:

1. To promote an awareness among the public about Prudential and the financial security needs which its insurance and equity products satisfy.

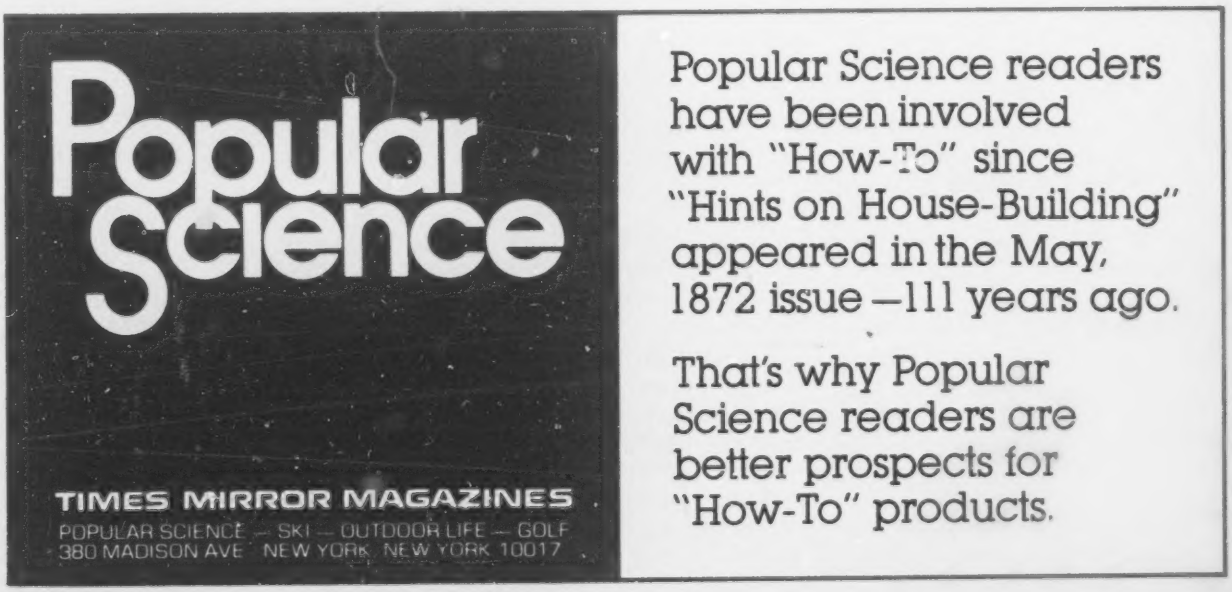
2. To create a preference for Prudential and its representatives when a buying decision is reached.

3. To provide a positive motivation for the field force which helps overcome the negative atmosphere in which it operates because of the public's psychological resistance to life insurance.

4. To project a unique personality for Prudential as a sensitive and socially conscious institution which serves the public interest even beyond its insurance and investment operations.

Prudential has evidence that at least the awareness goal has been met. In a measurement of the effectiveness of the angel's campaign, last year Opinion Research Corporation asked 1,000 consumers which life insurance they remembered seeing or hearing about. 47% said they remembered Prudential's advertising. The year before when the angel's campaign was in its second year only 40% named Prudential.

Management too, is apparently convinced that the advertising team has a


Popular Science
TIMES MIRROR MAGAZINES
POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF
380 MADISON AVE NEW YORK, NEW YORK 10017
Popular Science readers have been involved with "How-To" since "Hints on House-Building" appeared in the May, 1872 issue—111 years ago.
That's why Popular Science readers are better prospects for "How-To" products.

The ads are placed in business magazines, general consumer books, video game books, educational magazines, hobbyist and science publications.

The original campaign for the 64 was "What nobody else can give you at twice the price." However, since prices are constantly changing and the slogan is no longer accurate, that campaign has been changed.

A new campaign plays up the fact that a recent price drop to $400 puts the 64 in the home computer segment. Ads announce: "Now the 64 is a home computer."

Cooperate advertising accounts for about 20% of Commodore's total ad budget and the company provides newspaper and radio spots for merchandise credit.

Software availability

Since most of the 64's users are computer literate, in addition to working with available software for the machine, they also create their own.

According to Tomczyk, Commodore offers a wide variety of software for the 64 which was developed by a coalition of artists, musicians and programers. He claims that the result of the company's efforts to offer a complete selection of programs has generated interest from computer hobbyists and programers.

Commodore 1982 Media Expenditures*

Magazines	$1,408,000
Network tv	8,306,100
Spot tv	5,815,200
Newspapers	79,900
Spot radio	2,200
Total	$15,611,400

* 5-media totals compiled from *Leading National Advertisers, Media Records* and *Radio Expenditure Reports.*

However, according to Clive Smith, senior analyst for the Yankee Group, "I would say that there is a shortage of software available for the 64 in comparison to what is available for the Atari."

Although there is a fair amount of third party software available for the 64, it's not very well known, nor is it widely distributed.

To remedy this problem, Tomczyk notes that Commodore is in the process of setting up a software division, which he will be responsible for, along with other key executives.

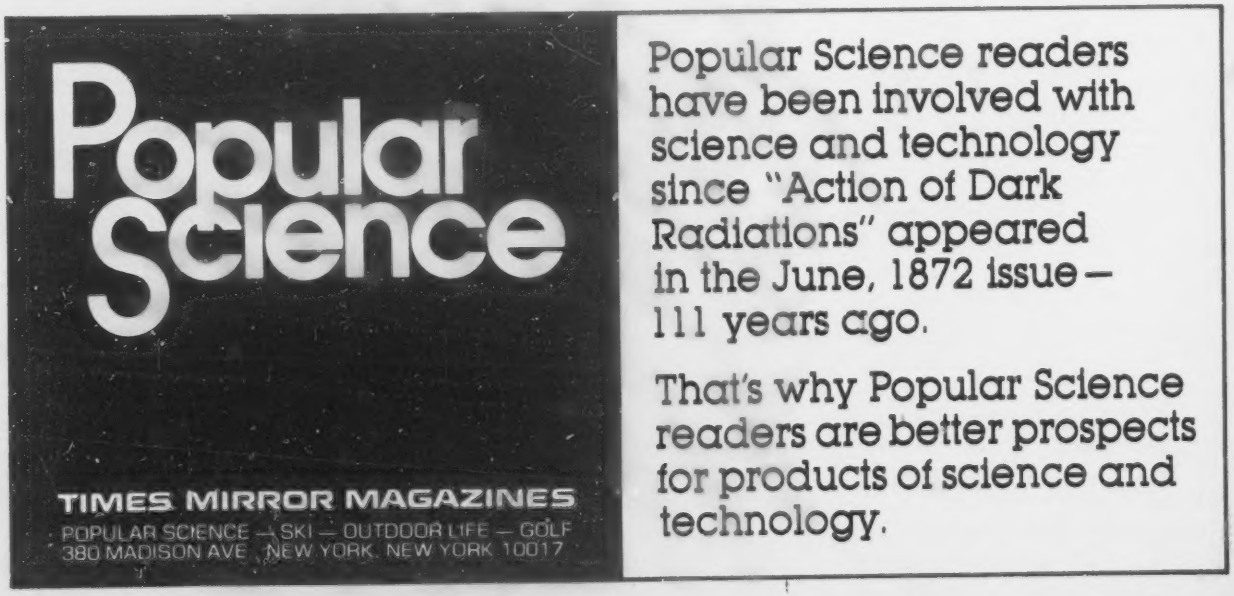
According to Smith, "Commodore knows how to produce good performance machines at an extremely competitive price. They're also widely distributed and have a good range of low cost peripherals."

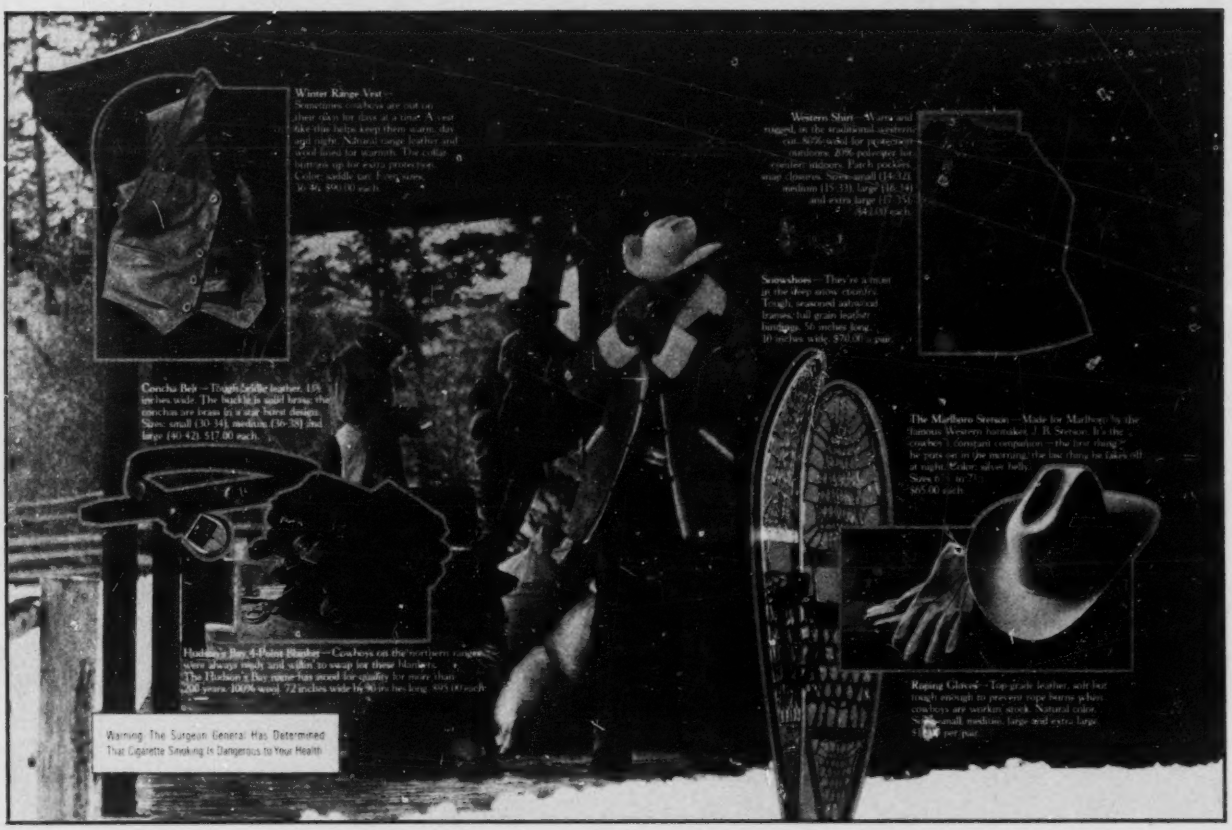
However he notes that Commodore's other current weakness is that its two leading machines have incompatible formats.

He explains, "You can't run VIC-20 software on the 64. There's a weakness in breadth as well as depth when it comes to software and that's an issue Commodore will have to overcome."

Another problem industry observer Smith alludes to is that Commodore alienated a number of its specialty computer store dealers by expanding into mass distribution. The specialty stores have higher cost margins than mass merchandizing outlets. As a result they get undercut quite frequently by mass merchandisers on pricing.

One industry expert who prefers to remain anonymous chides, "Commodore made a very specific commitment to its dealers that it would keep the 64 solely in retail distribution until the end of 1983, it was on that basis that they accepted the product. Six months later Commodore reneged on their offer and started selling the 64 in places like Toys Я Us, K-mart and a wide variety of other merchandising outlets."


Popular Science
TIMES MIRROR MAGAZINES
POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF
380 MADISON AVE., NEW YORK, NEW YORK 10017
Popular Science readers have been involved with science and technology since "Action of Dark Radiations" appeared in the June, 1872 issue — 111 years ago.
That's why Popular Science readers are better prospects for products of science and technology.



Marlboro uses a mail order country store insert in magazines not so much to sell merchandise as to create greater reader involvement in its advertising. Marlboro brand manager Bob Roper believes if readers spend more time with the Country Store catalogue, the advertising has served a useful purpose.

Media expenditures in 1981 of leading cigarette brands

Brand	Total	Magazines	Supps	Newspapers	Outdoor
Barclay (Brown & Williamson)	$107,779,000	$38,255,000	$11,840,000	$18,679,000	$34,910,000
Merit (Philip Morris)	75,228,000	20,747,000	3,568,000	38,133,000	12,780,000
Winston (R. J. Reynolds)	67,655,000	20,545,000	2,919,000	29,171,000	15,020,000
Marlboro (Philip Morris)	59,356,000	27,037,000	1,305,000	16,731,000	14,283,000
Vantage (R. J. Reynolds)	58,393,000	19,787,000	3,680,000	28,514,000	6,412,000
Kent (Loews)	55,276,000	13,257,000	7,100,000	27,369,000	7,550,000
Salem (R. J. Reynolds)	48,811,000	13,146,000	1,913,000	22,311,000	11,441,000
More (R. J. Reynolds)	44,106,000	12,607,000	2,545,000	24,000,000	4,954,000
Benson & Hedges (Phillip Morris)	35,871,000	19,485,000	4,800,000	7,032,000	4,554,000
Now (R. J. Reynolds)	35,002,000	12,300,000	4,622,000	18,025,000	55,000
Camel (R. J. Reynolds)	34,269,000	8,917,000	—	14,566,000	10,786,000
Virginia Slims (Philip Morris)	31,523,000	16,923,000	3,308,000	6,464,000	4,828,000
Carlton (Amer. Brands)	30,397,000	11,747,000	—	10,321,000	8,189,000
Cambridge (Philip Morris)	24,542,000	7,548,000	2,435,000	13,382,000	1,177,000
Newport (Lorillard)	20,310,000	6,053,000	247,000	6,070,000	7,940,000
Kool (Brown & Williamson)	19,886,000	10,167,000	1,317,000	4,821,000	3,581,000
Triumph (Lorillard)	17,032,000	8,857,000	629,000	4,340,000	3,206,000
True (Lorillard)	15,782,000	5,267,000	907,000	5,409,000	4,299,000

Sources: LNA/BAR; Media Records.

Reader's Digest on smoking and health, which signaled the beginning of trouble in public perception of smoking for the whole industry.

In response to that, Marlboro offered a filtered cigarette, presented on the merits of rich, full flavor. And about the same time, 1958, Marlboro branched out in its packaging to a soft pack.

The ad theme at this time was men relaxing, in television, radio and print, and vocalist Julie London contributed to the creation of mood. Roper explained, "Our idea is to sell flavor, regardless of the type of packing."

At that time, athletes were featured in "settle back" ads, among them, Charlie Connerly, Jon Arnett, Tom Harmon, Don Hudson, Frankie Albert and Paul Hornung. But with the careful realignment of the Marlboro Man's presentation, Roper notes, "we kept coming back to one image — the image that seemed to best convey the masculine power of the Marlboro Man: The American Cowboy."

In PM's telling of the history of the brand, by the early 1960's, he represented something stronger than when portrayed in their early advertising. He was more than just a masculine symbol with an heroic occupation, he represented a spirit and the American frontier. Philip Morris had made him bigger than life.

So out of that collection of masculine types, test pilots, deep sea divers, etc., the cowboy became the Marlboro man. Along with him came another concept, that of Marlboro Country. There, says Roper, "He became a more powerful visual symbol."

MARLBORO 28 YEAR SALES GROWTH

	Cigarettes in billions
1955	5.90
1956	14.30
1957	19.60
1958	21.00
1959	20.60
1960	22.00
1961	24.10
1962	25.00
1963	25.41
1964	24.72
1965	27.10
1966	31.40
1967	34.37
1968	39.27
1969	44.09
1970	51.37
1971	59.32
1972	69.82
1973	78.82
1974	86.14
1975	91.38
1976	94.21
1977	96.90
1978	101.01
1979	103.84
1980	109.59
1981	114.77
1982	119.64

Source: Maxwell Report.

The Philip Morris position on the role of the cowboy and his turf contends that "words were unnecessary because the visuals had a poetry of their own. The cowboy's quiet self-confidence and the rugged beauty of his country portrayed a simplicity of life — simplicity to a modern world that was becoming increasingly complex and frustrating. It was the best advertising we'd ever done, and Marlboro's sales proved it. Earlier growth had been impressive, but since that beginning of the Marlboro Country theme in 1964, sales have increased an average of more than 10% a year."

But it's not merely to advertising that Philip Morris attributes the sales success of Marlboro. The segmentation of the cigarette market that started in the early 1960's became an increasingly potent force as the decade wore on. Marlboro was then able to move into the segments that were expanding.

In 1966, Marlboro Menthol green pack was added to the brand roster, and in 1967, longer cigarettes became popular, leading to Marlboro 100's. Currently, 100's hold a two and a half percent share of the cigarette market.

GOLF MAGAZINE
TIMES MIRROR MAGAZINES
POPULAR SCIENCE — SKI — OUTDOOR LIFE — GOLF
380 MADISON AVE., NEW YORK, NEW YORK 10017
CORPORATE AND FINANCIAL
Golf Magazine is 18% more efficient than Golf Digest in reaching the profesional and managerial adult.
*Source: 1982 SMRB Golf: $31.97 CPM
Golf Digest: $39.12 CPM

pop up in peripheral or "urban" markets. The reason: Hilton is following the flow of the business traveller. Because many firms have moved to the outskirts of their towns, new hotels will be set up close to major business centers or industrial parks. Some examples already in the completion stage on the East Coast: the Rye Hilton, which is near White Plains, and the Parsippany Hilton, near to numerous corporate facilities in New Jersey's Bergen and Somerset Counties.

Relatively few new projects for center cities are in the offing. Hilton figures its presence is already clearly established in many of these places and heavy competition in large urban areas is depressing profit pictures for some companies.

"We're not looking to immediately expand in New York, Chicago, Atlanta, or New Orleans — we're already there," says Collins. "But as the suburban areas around these metropolitan areas grow there's an opportunity to put in new hotels."

Some of the "heavy competition" Hilton is battling in major markets is especially evident in New York and Los Angeles, two towns where the market profile changes almost daily.

1982 media expenditures

Radio	$ 138,600
Magazines	2,121,700
Newspapers supps	20,300
Net tv	3,812,200
Spot tv	231,400
Outdoor	1,306,300
Total	$7,630,500

Los Angeles was once clearly a Hilton town, appropriately, as its austere corporate headquarters adjoins the luxurious Beverly Hilton. But besides covering the lucrative Beverly Hills/Bel Air market, it was solidly entrenched downtown with the huge Los Angeles Hilton and with a large hotel near the LA airport. Indeed, the only flank in LA Hilton did not cover was along the ocean, where the old Delmonica and Santa Monica Hotels reigned supreme.

This security was shortlived: the Westin Corporation, one of the more aggressive hostellers of late which has resurrected some impressive monuments in large Southern markets and in Detroit, decided to build a massive structure adjacent to one of Hilton's traditional money makers, the Los Angeles Hilton. Not content with reaping the business traveller, a not-infrequent visitor to downtown LA, the Bonaventure was designed to compete directly for the convention traveller. It won hands-down in the slugfest that ensued: its convention center was substantially larger than the LA Hilton's, which didn't have room to expand its own.

The LA Hilton's only recourse was to tap the international traveller and continue to curry favor with the business staple. This successful alternative has continued to keep the hotel profitable.

A similar — but more complex — pattern of events has wracked the New York market, Hilton's most profitable and competitive. As any New Yorker knows, the hotel business in Manhattan has been as hectic as Macy's on Washington's birthday over the last three years. Two super-hotels popped up adjacent to Grand Central Station, two in the fifties on Madison Avenue, another, the Park-Meridien uptown

Hilton's big five at McCann-Erickson, Los Angeles, are (left to right) Leland Wong, account supervisor; Dorothy Charlesworth, associate media director; Cathy Krell, vice president and management representative; Bob Woodworth, vp/media director; Carol Begelman, account executive. They call the shots.